# INFORMATION LETTER

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## CONGRESS ADOPTS LEGISLATION GIVING DISPOSAL OF SURPLUS FOODS TO THE WAR FOOD ADMINISTRATION

### Eliminates Specific Provision for Industry Advisory Committee

After three weeks of consideration, the Congress passed on September 19 the much debated legislation for disposal of surplus property in the form recommended by the House and Senate conferees. The legislation, which is a compromise between the broad House provisions and the more specific Senate provisions—

Establishes a three-man Surplus Property Board to control and govern policies for surplus disposal.

Lists numerous objectives and policies which the Board must observe in fixing specific policies for surplus disposal.

Provides that the actual job of disposal is to be done by Federal agencies named by the Board as "disposal agencies" in accordance with policies and regulations issued by the Board.

Gives preferences in obtaining surplus property to Federal agencies, State and local governments and tax-supported or non-profit institutions, and war veterans.

Makes the War Food Administration solely responsible, subject to Board supervision, for policies governing disposal of surplus food.

Imposes specific restrictions on disposal of various types of surplus property, such as real property and certain war plants. Provides for stock piling of strategic minerals and metals.

The legislation thus follows the general plan of the House and Senate bills, sets up machinery for surplus property disposal and announces broad general policies to be followed, but does not attempt to provide specifically any of the details of the methods by which the job is to be done. This is left to the Board and the disposal agencies.

The practical effect of the legislative provisions covering surplus food is to give the disposal job to the WFA. Although the War Food Administrator is to operate under the supervision of the Board in formulating policies for surplus agricultural disposal, it seems very likely that the Administrator's decisions and opinion will have great weight with the Board. It is entirely possible that in practice the Board's "supervision" will be nominal and that the War Food Administrator will have final power to make the food and other agricultural commodity disposal policies. The legislation therefore seems to meet at least partially the industry's desire to have surplus food handled only by the WFA. (See INFORMATION LETTER for August 19.)

The industry's prior recommendations for legislation establishing industry advisory committees which were proposed by the Senate were, however, rejected by the conference committee. Consequently, there is no requirement that the WFA appoint and consult with industry advisory committees in handling surplus food disposal. The extent, if any, to which industry committees may participate in solution of food disposal problems is left entirely to the discretion of the War Food Administrator. The Administrator, of course, must comply with the general policies of the legislation, which include discouraging speculative practices, utilization of normal trade channels, and sale of surplus property "as nearly as possible" for its "fair value". These and the seventeen other policies and objectives are, how-

(Continued on page 8392)

### Board and Council to Meet in November

President G. Sherwin Haxton has announced that he will call a meeting of the Administrative Council of the Association to be held at Washington on Monday, November 20, and a meeting of the Board of Directors on November 21. Early announcement of these meetings is made in order that members of the Council and Board may have ample time in which to make plans for their attendance.

### Pack Reports are Requested

Merritt Greene, Administrator of WFO 22.6, has requested all canners to report the size of their packs on Form FDA 685 within 15 days after completion. This is important on all crops, and particularly important for peas, pea soup, snap beans, corn, tomatoes, tomato juice, and tomato soup because of the subsidy program for these items. The report should be addressed to: Merritt Greene, Office of Distribution, War Food Administration, South Building, Washington 25, D. C. Attention WFO 22.6.

## CANNING INDUSTRY ADVISORY COMMITTEE REFUTES STATEMENTS IN ADMINISTRATOR BOWLES' LETTER

Citing the record of action by Congress and the Fruit and Vegetable Industry Advisory Committee, and of inaction and evasion by the Office of Price Administration, Chairman Howard T. Cumming of the Advisory Committee in a letter to Representative Clarence Cannon has effectively refuted the statement made by OPA Administrator Chester Bowles in a letter to Mr. Cannon that the first time he "personally was aware that there was any major question on the use of U. S. standards on the part of the industry was in early June," 1944.

Congressional hearings held early in February, 1943, developed the objections of the industry to the compulsory use of the U. S. grading system and to its use on some products in the OPA pricing system. Congress in July, 1943, passed the so-called Taft Amendment, in the debate on which members of Congress stated that it would clearly prohibit the use by OPA of specifications not in previous general commercial use. Thereafter, in September, the Office of Price Administration amended 250 of its regulations to conform to the Taft Amendment, but announced that discussions would be held with the industry regarding the use of government grades in canned food pricing.

In November, Chairman Boren of the House Committee investigating brand names wrote Mr. Bowles asking him when a decision would be reached on the use of AMA grades and was in-

formed that a decision would shortly be made.

"In presenting the pricing method to the industry in February," the Chairman of the Advisory Committee stated, "OPA said it was 'planning shortly to call a meeting of the Industry Advisory Committee to secure its help in going into the application of the methods.' It was not until two months later, in April, that the Committee was called to meet. At its very first meeting, the Committee unanimously advised the OPA 'that AMA grades are necessary neither for pricing nor enforcement.' It likewise stated that it had been advised that such use was illegal and expressed apprehension as to the possibility of litigation making for uncertainty in 1944 price regulations. The OPA invited the Industry Advisory Committee both to explore this question of legality and to offer alternate suggestions."

This was the action which Mr. Bowles dismissed in his letter to Mr. Cannon with the statement that "there was a feeling among the members of our staff, however, that this protest was simply for the record."

Late in the month there was sent to Mr. Bowles on behalf of the Industry Advisory Committee a 26-page document constituting the report and recommendations of a subcommittee appointed by the Advisory Committee which protested the use of AMA grades in pricing.

OPA took no action until June, after both the House and Senate committees considering extension of the Price Control Act had reported their bills to Congress. Thus, when Administrator Bowles suggests that the "industry suddenly changed its position" he omits to mention the inaction of OPA until that time.

The regulation which OPA then announced was based on a formal finding by the Administrator that AMA grades were a written description of the commercial grades. "In other words," the Chairman of the Advisory Committee states, "after the differences between the two systems, and the desirability of using either one or the other had been debated before Congress for more than a year, and after OPA had vigorously opposed before your own committee the use of one system as against the other, OPA made the belated discovery that the two were after all the same."

This finding and the regulation based upon it were issued before, not after, OPA obtained a ruling from the Comptroller General as to its legality. When the Comptroller General ruled that the regulation violated the provisions of the OPA Appropriations Act, the regulation was withdrawn.

As to Administrator Bowles' statement that the Federal specifications on which the Army buys are based on the AMA grades, the Chairman of the Advisory Committee said:

"This has been repeatedly demonstrated not to be true, and can be shortly, even if not fully, answered by pointing out that the scoring system which is the most objectionable part of AMA grades is not a part of the Army specifications. Nor is it true that the canning industry has asked that all prices for government sales be based on Federal specifications. Some canners have pointed out to OPA that for one or two products the Army for its own purposes has in its specifications departed from the regular commercial grades and has requested that appropriate price adjustments be made in these cases. The suggestion that the entire industry has asked for a double system of pricing is unfounded in fact."

Mr. Bowles' principal basis for asking Congress to reexamine the question is that unless OPA be permitted to require compulsory use of these government grades in the packing and selling of these commodities, no general and effective price control can be had. As to this statement, the letter of the Chairman of the Advisory Committee states:

"It is interesting to observe that in this letter, as indeed throughout all of the discussion of this subject, Mr. Bowles offers no factual proof. The established commercial grades were used for price control purposes in 1942. The pattern of price differentials among grades was largely the same in 1942 as it will be in 1944. The range of Army buying and the taking by the Army of the middle grades will be similar to 1942. Yet, throughout, there are no facts with respect to the difficulties of enforcement, and no proof of upgrading. The assumption that use of AMA grades is the only practicable method of price control is equivalent to saying that price control in 1942 on these products was ineffective. All available evidence is to the contrary."

## Rep. Taber Says Argument for AMA Grade Pricing Lacks Facts

The argument of Administrator Chester Bowles that pricing by AMA grades is necessary if OPA pricing regulations are to be properly and adequately enforced was discussed by Representative John Taber of New York in a speech to the House on Wednesday. In his address Representative Taber said:

When the last deficiency bill providing funds for the OPA was up, the Appropriations Committee adopted an amendment, and the House and Senate followed through, restricting OPA operations on canned fruits and vegetables to commercial grades and prohibiting the Administrator of OPA from establishing other grades.

Mr. Bowles has seen fit to make certain statements in a letter to Chairman Cannon of the Appropriations Committee with reference to this amendment.

Agricultural Marketing Administration grades have been established by the Agricultural Department with reference to canned fruits and vegetables. These are not in general use. It is absolutely impossible for canners and processors to accurately reflect the true grade according to AMA. The commercial grades have been in effect for 60 years and there has never been any difficulty with reference to their interpretation or use.

Mr. Bowles states in his letter that the proviso which prohibits the use of anything other than commercial grades "made impossible the proper enforcement of price ceilings on canned fruits and vegetables."

In his letter Mr. Bowles gives no facts about enforcement. He states no instance or instances in which the OPA found it difficult to enforce maximum prices based on established commercial grades. Likewise, he gives no instance or instances in which the OPA's improper use of AMA grades in 1943 made enforcement easier or better.

Of course whatever facts are available, OPA has in its Enforcement Division headed by Mr. Emerson. The failure to advance any facts in an 11-page statement issued by Mr. Bowles in and of itself would make one suspicious as to the existence of such facts.

What information is available outside the OPA leads to very grave doubts as to the accuracy or candor of what Mr. Bowles has said.

In 1942 OPA pricing was based on established commercial grades rather than these government grades. According to information available to me, OPA had little difficulty in enforcing these regulations. In numerous instances it secured treble-damage settlements; in one instance in the Middle West it obtained injunctions against violation of the price ceilings, and in a pending California case it has brought a very large treble-damage suit based on price regulations according to established commercial grades.

In an affidavit filed by Mr. Tom Emerson, Deputy Administrator for Enforcement, in November, 1943, he reported that there had been 308 investigations of alleged price violations in the sale of processed foods of the 1942 pack, which were priced according to commercial grades, and that out of this total of 308, sanctions had been imposed in 139 cases. By sanctions I suppose he means either treble-damage settlements or successful court action. This seems to me to be rather effective enforcement, and far better than the average.

It is not necessary, however, to make one's own judgment because Prentiss Brown, the former OPA Administrator, himself, has summed up OPA's experience in 1942 under regulations based on commercial grades.

In an opinion rendered on February 27, 1943, Prentiss Brown stated, regarding the operation of the canning industry under MPR 152 during the 1942 pack:

"It is a matter of record that the great majority of approximately 3,000 canners have been, and are, operating successfully under price control. In view of this fact, it must be apparent that the regulation is generally fair and equitable and by arresting the upward trend of prices has effectuated the purpose of the act."

In 1943 some of the OPA prices were based on commercial grades and some others on these government grades, which legally the OPA even then had no right to use. Numerous instances have been reported in which the OPA has obtained damage settlements against processors based on these commercial grades. In one case in May, 1944, in my own State an applesauce canner was made to pay $20,900.50 in settlement of a treble-damage suit covering sales of applesauce on the 1943 pack based on commercial grades.

In another case involving a Baltimore processor, very substantial sums were obtained in a treble-damage settlement of alleged violations of price regulations which were based on these established commercial grades. The charges were that they had upgraded their product and there was no difficulty in OPA's enforcement.

These are only some among many instances of effective enforcement using commercial grades which undoubtedly led Mr. Bowles' predecessor, Prentiss Brown, to make the statement which I have quoted.

Whether these facts have been reported to Mr. Bowles by his enforcement staff, I do not know. They certainly lead me to believe that if there was a willingness to proceed with the enforcement of price regulations based on established commercial grades—instead of this insistence upon seeking to do what Congress has prohibited—effective enforcement could be readily secured.

On the other side of the picture I very greatly doubt the honesty of the statement that with these AMA grades OPA could do a better enforcement job. In 1943 some 10 processed fruits and vegetables were priced according to these AMA grades. These included the most important products. Most, if not all, of this 1943 pack has long since been sold by the processors. Most of it was sold before last January.

Yet not one single court case or treble-damage settlement has been reported in which the OPA successfully prosecuted on the basis of these AMA grades. At a meeting last July between the Deputy Administrator for Price and the processors, OPA enforcement lawyers were asked to state what had been OPA experience in price enforcement using these AMA grades. These lawyers could produce nothing, they had no figures, and they could point to no completed case in which AMA grades had served effectively in enforcement.

Throughout this entire controversy, the OPA has failed to produce any facts supporting their insistence upon upsetting the established methods of doing business in the industry.

It is apparent to me that with the difficulty of interpreting the Agricultural Marketing Administration grades, which are very difficult to understand and to follow through, that enforcement would be much more difficult and practically impossible if Mr. Bowles were allowed to have his own way.

Why does he not try to do the thing with which he has succeeded instead of trying to impose some additional regulation which will tend to prevent proper enforcement?

## California Sardine Pack

Deliveries of California sardines to processing plants during the week ended September 9 totaled 10,362 tons. Pack of sardines during the week was 65,497 cases. The following table shows the sardine deliveries by districts and the pack by can sizes for the current season as compared with 1943:

| | Season to Sept. 9, 1944 | Season to Sept. 11, 1943 |
|---|---|---|
| Tonnage: | *Tons* | *Tons* |
| Northern district | 25,642 | 51,189 |
| Central district | 30,099 | 53,588 |
| Southern district | ..... | ..... |
| Total | 55,741 | 104,777 |
| Pack: | *Cases* | *Cases* |
| 1-lb. oval | 144,774 | 303,766 |
| 1-lb. tall | 130,233 | 232,581 |
| ¼-lb. fillet | 2,654 | 8,860 |
| ¼-lb. round, 96's | 11,304 | 32,049 |
| 5-oz., 100's | ..... | 6,619 |
| Miscellaneous | 19,008 | 12,866 |
| Total | 316,973 | 596,741 |

## WFA Offers Dry Edible Beans

The War Food Administration is offering for sale to country shippers, processors, or dealers, approximately 600,000 (100 lbs.) bags of U. S. No. 1 and No. 2 grades 1942 and 1943 crop beans.

Offers are being made only in carlots of 800 bags of one variety of beans to the car on the basis of the same grade as the beans were purchased. Acceptance of offers will be made as soon as practicable after they are received and confirmation of acceptance will be made by telegram. The closing date for offers to purchase is September 30.

## September 14 Storm Damage

The windstorm of September 14 caused material damage to the apple crop near the Atlantic Coast from the Eastern Shore of Maryland and Delaware northward to southern Maine, according to preliminary reports received by the Bureau of Agricultural Economics. Damage was limited to late fall and winter varieties. A preliminary check indicates that about 3,800,000 bushels of all varieties, or 13 per cent of the September 1 estimated production in the States suffering damage, were blown from the trees. Of this total, about 350,000 were on the Eastern Shore of Maryland and Delaware, 700,000 in New Jersey, 450,000 in the lower Hudson Valley of New York and 2,300,000 in New England. About three-quarters of the damage in New England occurred in Connecticut and eastern Massachusetts.

It is expected that the bulk of the blown-off fruit will be suitable for processing or fresh market channels, although quality and price probably will be lowered considerably because of the storm damage.

Damage to crops other than apples was limited. Some vegetables were damaged but benefits from rain accompanying the storm are expected to more than offset the loss incurred.

## State Convention Dates

Florida—October 27, Tampa Terrace Hotel, Tampa.

Indiana—November 16 and 17, Claypool Hotel, Indianapolis.

New York—December 7 and 8, place to be announced.

Ohio—December 12 and 13, place to be announced.

Pennsylvania—November 9 and 10, Yorktowne Hotel, York.

Texas—November 6, Casa de Palmas Hotel, McAllen.

Tri-States—November 30-December 1, Claridge Hotel, Atlantic City.

Wisconsin—November 13 and 14, Schroeder Hotel, Milwaukee.

## Berkey Gets New WFA Post

Kenneth W. Berkey has been appointed Chief of the Industry Operations Branch of the WFA's Office of Distribution. Mr. Berkey succeeds E. A. Meyer who recently was named Chief of the OD's Fruit and Vegetable Branch. Mr. Berkey is chairman of the "A" awards board and supervises the activities of the WFA Industry Advisory Committees.

## RULES GOVERNING WAGES NEW SEASONAL WORKERS

### War Labor Board Issues Bulletin on 25 Per Cent Limitation Order

Old and new employees hired for seasonal operations are exempted from the War Labor Board order that not more than 25 per cent may be hired at a rate of wages in excess of the minimum rates that have been established by the employer for the respective job classification, according to Interpretative Bulletin No. 3, under General Order No. 31, issued by the WLB on September 11. The Board has advised its field offices that the following rules are to be applied:

1. An employer may exceed at any one time during the year the 25 per cent limitation of hiring above the minimum so long as the limitation has not been exceeded at the end of the accounting year. The Board has adopted the policy of being liberal in the starting date of the 25 per cent limitation in view of the fact that many employers did not learn of the amendment until sometime after its promulgation.

2. The 25 per cent limitation does not apply to transfers from one plant or establishment to another of the same employer.

3. An employee may be rehired by the same employer at the level at which he left, or if the range for his job has changed during his absence, at the minimum of the new range, whichever is higher, and such hiring shall not be charged against the 25 per cent limitation.

4. The following rules shall apply to hiring of temporary employees during special rush periods such as the Christmas rush:

(a) The rehiring rule outlined above in (3) shall apply to rehiring of old employees during such periods.

(b) Employees hired during such rush period who have not previously worked for that particular employer may be hired at a rate not in excess of the midpoint of the range without charging such hiring against the 25 per cent limitation. Hirings above the midpoint are subject to the 25 per cent limitation.

5. The rules outlined under (4) above shall apply to the hiring of old and new employees for seasonal operations. For the purposes of this rule, the term "seasonal" is to be defined as provided in the regulations issued under the Fair Labor Standards Act:

"Section 526.3. *Industry to which the exemption is applicable*—The exemption for an industry of a seasonal nature is applicable to an industry—

(a) Which both: (1) engages in the handling, extracting or processing of materials during a season or seasons occurring in a regularly, annually recurring part or parts of the year; and (2) ceases production, apart from work such as maintenance, repair, clerical and sales work, in the remainder of the year because of the fact that, owing to climate or other natural conditions, the materials handled, extracted, or processed in the form in which such materials are handled, extracted, or processed are not available in the remainder of the year, or

(b) Which both: (1) engages in the packing or storing of agricultural commodities in their raw and natural state, and (2) receives for packing or storing 50 per cent or more of the annual volume in a period or periods amounting in the aggregate to not more than 14 work weeks."

6. A company may reemploy ex-service men and women previously in their employ without regard to the 25 per cent limitation.

7. Employers of fewer than 30 employees are not bound by the 25 per cent limitation unless they are operating under a plan established under Section 11 of General Order No. 31.

8. In order to constitute "a plan properly in existence (as defined in this General Order) which provides that some percentage of employees in excess of 25 per cent may be hired at rates above the appropriate minimum rates," the plan must show (a) a predetermined limitation on the percentage of hiring at rates above the appropriate minimum rates, or (b) objective criteria or standards for determining the rate that new employees should receive, the application of which criteria or standards results in limiting the number of employees hired at rates above the appropriate minimum rates. Such a plan may not be established merely by ascertaining from payroll records the number or percentage of employees hired above the minimum rate during a specified period in the past. To approve such a proposal would clearly be to defeat the purpose of the regulation.

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## Subsidy Conversion Factors

The War Food Administration has reported that some canners are using incorrect conversion factors in their application forms for subsidy payments.

Conversions for can sizes that refer to the subsidy rates, as they appear in the CCC subsidy contract Form FDA-776-1, must be used for sales made prior to the effective date of the new price regulations on sweet corn, snap beans, green peas, tomatoes, and tomato juice issued by the Office of Price Administration.

Can size conversion factors appearing in the 1944 OPA price regulations must be used on all sales of these commodities after the effective date of these regulations.

## Details of Dry Wrinkled Pea Program Announced by WFA

The War Food Administration has announced that it will support prices of 1944-crop dry wrinkled peas by making adjustment payments to dealers on peas sold for use as feed instead of by a program of outright purchase as originally planned.

Under the revised program, the dealer will pay the producer $2.65 per 100 pounds for thresher-run dry wrinkled peas (in bags) which would grade U. S. No. 2 or better after normal processing. The dealer, in turn, will sell the peas for feed at not less than a minimum price of $2.25 per 100 pounds. After such sale has been certified, WFA will pay the dealer 40 cents per 100 pounds (if sold at the minimum price) to cover the difference in the purchase and sale price plus 20 cents for purchasing, handling and merchandising the peas as feed, making a total of 60 cents.

To encourage sale of the peas at more than the minimum price, the dealer will be credited with half of the amount received above $2.25 per 100 pounds. WFA will purchase stocks remaining in dealers' hands as of June 30, 1945, at $2.85 per 100 pounds, which will cover cost plus 20 cents for handling.

Under this program, effective September 6, growers will be paid for some split peas and cracked seed coats (thresher run) for which they would not be paid on a strict grade basis. In addition, they will receive the same return for U. S. No. 2 peas as they otherwise would receive for U. S. No. 1 grade.

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## Container Order to be Eased

Most restrictions on the manufacture and use of glass containers and their closures can be removed shortly after the European war ends, the War Production Board announced September 16. The agency pointed out, however, that tin, for closures, may be expected to remain indefinitely under control and that it probably will be some time before the restrictions on the use of this metal can be lifted.

Further liberalization of existing controls on production and use of glass containers may be expected in the immediate future, WPB representatives said, in reviewing a proposed amendment of L-103-b, the glass containers quota order. Committee members said the amendment will help the industry prepare for revocation of the order expected soon after the European war ends.

## RATION POINTS FOR ALL CANNED FRUITS INCREASED

### OPA Places New Values in Effect to Help Equalize Consumer Point Purchasing Power

Because of sharply increased point buying power in the hands of consumers resulting from the removal from rationing of many processed foods, the Office of Price Administration has announced higher point values for items which are still rationed. The new point values apply to canned and bottled fruits, four fruit and vegetable juices, canned tomatoes, catsup and chili sauce. They became effective September 17 and will be used until the end of the rationing period on September 30.

With few exceptions, the new point values are approximately double their former values. For example, peaches, pears and pineapple, which had an old point value of 43 points for a No. 2½ can, have been increased to 80 points per can. Pineapple juice was increased from 25 to 50 points for the No. 2 can. However, tomatoes, which had a value of 5 points for a No. 2 can, were increased to 20 points by the new ration change.

Red point values for meats, butter, margarine, cheeses, canned milk and canned fish continue unchanged.

The changes in point values follow:

| | Point values | |
|---|---|---|
| FRUITS | Old | New |
| Apples, including crab apples (No. 2 can) | 23 | 40 |
| Applesauce (No. 2 can) | 25 | 50 |
| Apricots (No. 2½ can) | 30 | 60 |
| Berries, all varieties (No. 2 can) | 15 | 40 |
| Cherries, red sour (No. 2 can) | 25 | 50 |
| Cherries, all other, excluding Maraschino type (No. 2½ can) | 36 | 70 |
| Cranberries or sauce, whole, strained or jellied (about 16 oz.) | 12 | 40 |
| Figs (No. 2 can) | 25 | 50 |
| Fruit cocktail, fruits for salad, or mixed fruits (No. 2½ can) | 43 | 80 |
| Peaches (No. 2½ can) | 43 | 80 |
| Pears (No. 2½ can) | 43 | 80 |
| Pineapple (No. 2½ can) | 43 | 80 |
| Plums or prunes (No. 2½ can) | 12 | 30 |
| JUICES | | |
| Grape juice (pt., 1-lb.) | 10 | 20 |
| Pineapple juice (No. 2 can) | 25 | 50 |
| Tomato juice (No. 2 can) | 6 | 20 |
| Vegetable juice combination, containing at least 70% tomato juice (No. 2 can) | 2 | 10 |
| VEGETABLES | | |
| Tomatoes (No. 2 can) | 5 | 20 |
| Tomato catsup or chili sauce (14 oz.) | 30 | 50 |

## Canned Peas Offered for Sale

The War Food Administration is offering for sale to the original processors 119,748 cases of peas packed 24 No. 2 cans to the case and 11,967 cases packed 6 No. 10 cans to the case. This is the initial offer on approximately 550,000 cases of canned peas which have been released from government-owned stocks for civilian use. Additional quantities of these peas will be offered to the original processors as soon as the condition and grade has been determined.

The peas are from the 1942 and 1943 pack. They consist of sieve sizes 2, 3, 4, and 5, and blended, some of which are Alaska variety and some are Sweet variety. The canned peas are listed for sale as follows:

119,748 cases (24/2's) located at Appleton, Bloomer, Poplar, Osseo, Waldo, Milwaukee, Fall River, and Oakfield, Wis.; Shelbyville and Indianapolis, Ind.; Fairmont and St. Cloud, Minn.; Payette, Idaho; San Francisco, Calif.

11,967 cases (6/10's) located at Mt. Vernon, Wash.; Marshalltown, Iowa; and Homer, N. Y.

Offers to purchase by original vendors must be received by WFA not later than September 28.

## Canners Win "A" Award

Five additional canning plants have been awarded the War Food Administration's "A" award for outstanding performance in food processing. They are: R. J. Peacock Canning Co.—plants at Lubec, Portland, and Eastport, Me.; B. H. Wilson Fisheries, Eastport, Me.; and Rockfield Canning Co., Rockfield, Wis.

## Corrections in Price Orders

The Office of Price Administration has issued the following corrections in Amendment 2 to Supplement 7, FPR 1, governing prices for canned peas. Copies of Amendment 2 have been sent by OPA to all pea canners.

In Part 2 of Table 3, the brackets for Areas 3 and 4 should be arranged to include for Area 3, Items 13 through 18 and the sieve sizes opposite, and for Area 4, Items 19 through 24 and the sieve sizes opposite. The price range under No. 2 cans, Standard, opposite Item No. 29, should read "1.11-1.25."

In Part 4 of Table 4, the Item 2 price for No. 10 cans, Extra Standard, should read "7.57."

On page 1 of Amendments 3 and 5 (Amendment 3 governs the prices of apricots canned in California and Amendment 5 the prices of yellow cling peaches packed in the same State), the dollar sign should be deleted in Table 5—Conversion Factors—Metal Containers.

On page 1 of Amendment 3 (Amendment 3 covers the prices of sweet cherries produced in California) in Table 3, the last price under the heading "Price ranges No. 10 cans" should read "5.82-6.62."

## ADJUSTABLE PRICING ORDER IS ANNOUNCED BY THE OPA

### Action Will Permit Sales of Canned and Frozen Foods until 1944 Ceilings are Issued

To permit immediate delivery by processors of the 1944 pack of processed fruits, berries, and vegetables, the Office of Price Administration has issued Order 60 to Maximum Price Regulation 306, effective September 20, to allow processors to make sales and deliveries of these products at present ceiling prices, subject to an agreement with their purchasers to adjust the maximum prices after delivery. Text of the Order follows:

(a) That sales and deliveries of any of the packed food products covered by Maximum Price Regulation No. 306 of the 1944 pack may be made by processors to purchasers other than government procurement agencies, subject to an agreement with the buyer in each case, to adjust such selling prices to conform with new maximum prices to be established by the Office of Price Administration after delivery thereof, whether such maximum prices are greater or less than the maximum prices in effect at the time of delivery.

In any such sale the processor shall not invoice the goods at a price higher than the maximum price in effect at the time of delivery, nor shall he receive payment of more than that price until permitted by action taken by the Office of Price Administration.

(b) For each sale made under the provisions of this order, the processor within 10 days after the new maximum prices are established by the Office of Price Administration shall supply each wholesaler and retailer, who has purchased from him under this order, an invoice or other written notice, showing the price after action taken by the Office of Price Administration.

This order shall be automatically revoked as to each product referred to in paragraph (a) upon the establishment by the Office of Price Administration of new maximum prices for it, except for the provisions of paragraph (b).

Order 39 to Maximum Price Regulation 400, which covers frozen fruits, berries, and vegetables, was issued simultaneously with the above and its provisions are similar.

## WFA Offers Catsup for Sale

The War Food Administration is offering 53,920 cases of tomato catsup for sale to the original packers of this product. Of this amount, 9,486 cases are packed 24 (14-oz.) glass bottles to the case, the balance in 6 No. 10 cans to the case. All of the catsup was packed in California.

## STATEMENTS SUBMITTED TO OPA CONCERNING REMOVAL OF RATION POINTS ON CERTAIN CANNED VEGETABLES

### Canners' and Distributors' Committees Question Recent Action

The Canners' Rationing Advisory Committee and the Distributors' Point Value Committee have each submitted to the Office of Price Administration statements relative to recent action by the OPA on the rationing of canned foods. In its statement the Canners' Committee said:

The Canners Rationing Advisory Committee does not understand the basis on which, or approve the manner in which, the recent action of removing the major vegetables from the list of rationed foods has been taken, or reconcile the inconsistencies which this action shows with the theory and practice of rationing which has been followed heretofore.

Considering the fact that the Government has decided to discontinue the rationing of the principal varieties of canned vegetables it is the consensus of this Committee that the small volume of the remaining items does not warrant the continuation of rationing the limited balance.

We believe that action with reference to rationing processed foods, fruits and vegetables is now based on information of which the Canners' Committee is ignorant and without questioning the validity of such information the Committee feels that it can no longer contribute anything of value to this program.

The Distributors' Committee stated:

The figures submitted to us show a short overall supply of major fruits and this Committee recommends point values on peaches, pineapple, pears, and mixed fruits, and a lower value on apricots, leaving all other fruits point free.

*Vegetables*—The figures of short supply indicate rationing needed on peas, corn and tomatoes, and all other vegetables point free.

*Juices—fruit and vegetable*—Pineapple juice should be the only one rationed.

*Special Products*—Tomato catsup and chili sauce reduced to zero. Not an important item and used by a minimum of people.

*General remarks*—The recommendations we have made are in line with those made by this Committee in the past several months. We believe this will give a stream-lined, simplified program acceptable to the consumer and place a minimum burden on the distributors. This plan will effectively provide distribution of essential foods.

## Frozen Fruit and Vegetable Packers Meet with WFA; OPA

A report of the recent meeting with members of the Frozen Fruits and Vegetables Industry Advisory Committee and officials of the War Food Administration and the Office of Price Administration was announced September 19. The Committee met with representatives of the two agencies and other government officials to discuss ways and means of handling this year's large output of frozen fruits and vegetables with the limited amount of freezer cold storage space now available throughout the country.

Industry representatives discussed methods of minimizing their storage requirements, and Government representatives made suggestions for finding available space that would not be needed for handling wartime shipments of food. The committee also discussed pricing structures and technique for frozen fruits and vegetables with representatives of OPA.

According to a report by a task group which was accepted by the committee, it was estimated that inventory stocks of frozen fruits and vegetables on October 1, 1944, will probably reach 474 million pounds. These figures compare with approximately 389 million pounds of frozen fruits and vegetables as of October 1, 1943, or about 22 per cent less than 1944.

Committee members present were: F. J. Becker, Gresham Berry Growers, Gresham, Oreg.; E. E. Huddleson, Santa Cruz Packing Company, Oakland, Calif.; R. M. Hagen, California Consumers Corp., Los Angeles, Calif.; Ralph O. Dulany, John H. Dulany & Son, Fruitland, Md.; J. M. Seaman, Bozeman Canning Company, Mt. Vernon, Wash.; C. C. Seabrook, Deerfield Packing Corp., Bridgeton, N. J.; A. J. Rogers, Cherry Growers, Inc., Traverse City, Mich.; B. C. Olney, Birdseye-Snyder Company, New York, N. Y. Merritt Greene of WFA's Office of Distribution, is government chairman.

## Ceiling Prices for Unpacked Dried Raisins and Prunes Set

Ceiling prices for sales of unpacked dried prunes and raisins of the 1944 and later crops by producers, dehydrators, and dry-yard operators were established September 9 by the Office of Price Administration in Maximum Price Regulation 557. The new prices for sales of natural condition, unpacked dried raisins, f.o.b. rail shipping point nearest the seller's ranch or place of business are:

Natural Thompson seedless raisins, $180 per ton; natural Sultana raisins, $180 per ton; natural Muscat raisins, $195 per ton. These prices compare with 1943 support prices of $155 per ton for Thompson, $150 per ton for Sultana raisins, and $165 per ton for Muscat raisins. Maximum prices in line with those mentioned are also established in the regulation for other types and grades of raisins and for natural Zante currants.

The new ceilings for prunes are $200 per ton for 80-count California "Three-district" prunes and $195 per ton for 80-count California "Outside" and Washington and Oregon prunes. These prices compare with 1943 support prices of $170 per ton for 80-count "Three-district" prunes and $165 per ton for 80-count "Outside" and Washington and Oregon prunes.

## Cranberry Ceiling Prices are Named by OPA for First Time

Cranberries, both for fresh use and for processing, will be brought under price control for the first time soon, the Office of Price Administration announced September 16. Dollar-and-cent ceilings at shipping point levels, similar to the type used for other fresh fruits and vegetables, will be named, OPA said. Prices of cranberries sold for processing are expected to be controlled by setting ceilings on the processed product that will reflect to the grower $20 per standard barrel.

The f.o.b. ceiling prices per one-quarter barrel box for shipping points in Massachusetts, New Jersey, Rhode Island and New York will be as follows:

| Shipping Season | Price |
|---|---|
| Beginning of season through Oct. 8... | $5.50 |
| Oct. 9 through Oct. 29..... | 5.65 |
| Oct. 30 through Nov. 19..... | 5.80 |
| Nov. 20 to end of season..... | 5.95 |

Ceilings for sales of cranberries delivered to any wholesale market will be determined by adding to these ceilings freight charges for Wareham, Mass. Higher f.o.b. ceilings, reflecting freight advantages, will be provided for other producing areas, including Wisconsin and the West Coast.

## Murphy Leaves WPB

William B. Murphy has resigned his position as deputy vice chairman for production with the War Production Board to return to the Campbell Soup Company, that agency announced September 18.

## CALIFORNIA BARTLETT PEAR PRICES ARE SET BY OPA

Maximum prices for the 1944 pack of canned Bartlett pears processed in Area 1, California, are contained in Appendix E of Section 16 of Supplement 7 to Food Products Regulation 1, effective September 25, 1944, issued by the Office of Price Administration. This Appendix covers Bartlett pears canned as halves (peeled), quarters (peeled), and diced, but does not cover spiced, whole or pickled Bartlett pears, or Bartlett pear compote, nor states other than California. Maximum prices for Bartlett pears in other states will be announced later.

The permitted increases and the price ranges for No. 2½ and No. 10 cans shown in Table 3 may be used by canners to establish their 1944 gross ceiling prices for any item shown, provided sales were made during the base period and a base price can be established. The gross ceiling price will be computed by adding the permitted increase to the base price, which is the weighted average selling price for the first 60 days after the beginning of the 1941 pack. If the result of this addition gives a figure that comes within the appropriate price range no adjustment is necessary. If, however, it is higher than the upper limit of the price range, it must be adjusted to the highest price of the range; if lower, it may be adjusted to the bottom price of the range. The maximum prices thus established will be for sales to the civilian trade on and after September 25, 1944.

The maximum prices on Government sales will be 96 per cent of the gross ceiling price as established above.

If a canner made no sales of canned Bartlett pears during the base period his gross ceiling will be the middle of the price range for each item. If a canner sold some but not all items of canned Bartlett pears during the base period, he may fill in the blanks in his price list by conversions from prices which he can establish. In making conversions for grade, syrup differential, and container size, the steps to be taken in figuring maximum prices should be made in the following order:

(1) Convert for container size; (2) add the permitted increase for the grade of packed Bartlett pears sold in the base period; (3) convert for grade; (4) convert for syrup differential; (5) apply the limitations of the price range; (6) convert for grade; (7) convert for syrup differential; (8) convert for container type and size.

The term "grade" as used above refers to the grade of the fruit with a syrup density which corresponds to the grade of the fruit. Syrup differentials are provided where the product is packed in syrup of a density that does not correspond to the grade of the fruit.

In figuring maximum prices using grade differentials, the base price for Choice Bartlett pears where available shall be used to figure maximum prices for Fancy and Standard grades. In other cases the differential between the item being priced and the nearest grade should be used.

The conversion for style of pack is done after application of the limitations of the price range to the constructed price and conversion for grade. The differential between halves or quarters and diced is 6 cents per dozen for No. 2½ cans and 20 cents per dozen for No. 10 cans, with the ceiling for diced being higher than for halves or quarters.

The conversions from tin to glass containers must be made in the 1944 prices and not in the base period prices. Even though a processor packed the item in glass during the base period he must first construct a 1944 maximum price for the item when packed in tin and then apply the appropriate conversion factor. The maximum price for No. 2½ glass is 20 cents per dozen higher than that for No. 2½ cans, and for 303 glass 30 cents per dozen less than for No. 2½ cans.

Tables 3, 5, 7 and 8 of the Appendix are reproduced above. Tables 1, 2, 4 and 6 are omitted since the subject matter has been covered in the foregoing discussion.

The Appendix in complete form will be mailed, as soon as available, to California Bartlett pear canners.

TABLE 3. PERMITTED INCREASES AND PRICE RANGES PER DOZEN CONTAINERS FOR PROCESSORS OF PACKED BARTLETT PEARS WHO MADE SALES DURING THE BASE PERIOD

| Style and grade | No. 2½ cans | | No. 10 cans | |
|---|---|---|---|---|
| | Permitted increase | Price ranges | Permitted increase | Price ranges |
| Bartlett pears, Halves (peeled), and Quarters (peeled): | | | | |
| Fancy | $1.00 | $3.22-$3.44 | $3.62 | $11.27-$11.55 |
| Choice | .90 | 2.90- 3.06 | 3.24 | 10.16- 10.42 |
| Standard | .81 | 2.61- 2.77 | 2.92 | 9.18- 9.40 |
| Seconds | .66 | 2.32- 2.38 | ..... | ..... |
| Water | ..... | ..... | 2.41 | 6.88- 7.56 |
| Pie | ..... | ..... | 1.58 | 5.43- 5.61 |
| Solid Pack Pie | ..... | ..... | 2.34 | 7.75- 7.93 |

For any grade of Bartlett pears, diced, packed in No. 2½ or No. 10 cans: The permitted increase is the same amount as that named above for the same grade and container type and size of Bartlett pears, halves (peeled), and quarters (peeled); and the processor shall figure the limitations of the price range by adding $0.06, in the case of No. 2½ cans, or $0.20, in the case of No. 10 cans, to the bottom and top respectively of the price range named above for the same grade and container type of Bartlett pears, halves (peeled), and quarters (peeled).

TABLE 5. CONVERSION FACTORS—METAL CONTAINERS

| To convert from a can size in this column | To a can size listed at the head of a column below, multiply by the appropriate conversion factor: | | | | |
|---|---|---|---|---|---|
| | 8 oz. | No. 1 Tall | No. 2 | No. 2½ | No. 10 |
| 8 oz. | .... | .... | .... | 2.79 | 9.37 |
| No. 1 Tall | .... | .... | .... | 1.63 | 5.46 |
| No. 2 | .... | .... | .... | 1.34 | 4.50 |
| No. 2½ | .36 | .61 | .74 | .... | 3.36 |
| No. 10 | .11 | .18 | .22 | .30 | .... |

TABLE 7. SYRUP DIFFERENTIALS

If you pack fruit in syrup of which the density does not correspond to the grade of the fruit, subtract the amount named below for the grade from the prices computed from Table 3 or 4 and add to the resulting figures the amount named for the syrup you do use. (Dollars per dozen containers.)

| Syrup | No. 2½ cans | No. 10 cans |
|---|---|---|
| Extra heavy (Fancy) | $0.21 | $0.78 |
| Heavy (Choice) | .15 | .56 |
| Light (Standard) | .10 | .35 |
| Slightly sweetened water (Seconds) | .04 | .... |

The density of the syrup referred to above is defined as follows:

"Extra heavy syrup" means syrup having a cut-out density of 22°-35° Brix.
"Heavy syrup" means syrup having a cut-out density of 18°-22° Brix.
"Light syrup" means syrup having a cut-out density of 14°-18° Brix.
"Slightly sweetened water" means syrup having a cut-out density of less than 14° Brix.

TABLE 8. GRADE DIFFERENTIALS—DIFFERENCE BETWEEN SUCCESSIVE GRADES (DOLLARS PER DOZEN CONTAINERS)

| Style and grade | No. 2½ Cans | No. 10 cans |
|---|---|---|
| Bartlett pears, Halves (peeled) Quarters (peeled), and Diced: | | |
| Fancy and Choice | $0.34 | $1.12 |
| Choice and Standard | .30 | 1.00 |
| Standard and Seconds | .34 | .... |
| Standard and Water | .... | 2.07 |
| Standard and Pie | .... | 3.77 |
| Standard and Solid Pack Pie | .... | 1.45 |

## Canned Food Purchases Made by WFA through August 31

The cost of agricultural commodities purchased by the War Food Administration for Lend-Lease, Territorial emergency, Red Cross, and other purposes during the period January 1 to September 1, 1944, totaled $1,298,302,434. From the complete statement of these purchases the following table has been compiled showing the amount and the f.o.b. cost of the canned food products bought.

| Products | Quantity | Cost |
|---|---|---|
| Canned fruits: | *Cases* | *Cases* |
| Apricots (pie pack) | 118,338 | $608,583 |
| Apricots (syrup pack) | 35,757 | 144,601 |
| Blueberries | 2,000 | 9,600 |
| Cherries, sweet | 1,897 | 8,304 |
| Figs | 92,844 | 316,990 |
| Fruit cocktail | 10,012 | 59,173 |
| Grapefruit segments | 142,466 | 502,052 |
| Peaches (syrup pack) | 808,381 | 3,325,500 |
| Pears | 39,890 | 206,104 |
| Pineapple | 855,155 | 3,502,404 |
| Prunes (syrup pack) | 61,728 | 250,000 |
| Canned vegetables: | | |
| Asparagus | 1,738 | 10,841 |
| Beans, green | 902,718 | 2,604,327 |
| Beets | 345,010 | 812,310 |
| Carrots | 265,385 | 628,299 |
| Peas | 37,315 | 111,352 |
| Pumpkin | 28,465 | 59,184 |
| Sauerkraut | 905 | 1,445 |
| Spinach | 208,575 | 546,651 |
| Tomato catsup | 120,933 | 493,510 |
| Tomato paste | 334,966 | 1,912,681 |
| Tomato puree | 96,828 | 277,240 |
| Tomatoes | 13,164 | 29,973 |
| Canned juices: | | |
| Grapefruit | 620,158 | 1,696,063 |
| Pineapple | 12,000 | 42,227 |
| Tomato | 65,300 | 156,186 |
| Canned fish: | | |
| Fish, ground | 87,000 | 204,150 |
| Herring | 29,094 | 165,991 |
| Mackerel | 71,718 | 623,109 |
| Pilchards | 477,011 | 2,007,174 |
| Salmon | 613,652 | 6,558,723 |
| Sardines | 847,513 | 3,847,862 |
| Shrimp | 8,986 | 102,324 |
| Squid | 71,500 | 297,950 |
| Tuna, and tuna-like fish | 1,358 | 27,093 |
| Miscellaneous: | | |
| Baby foods | 708 | 1,813 |
| Soups | 49,171 | 249,658 |
| Milk: | | |
| Condensed | 1,408,814 | 9,139,150 |
| Evaporated | 10,231,889 | 40,292,128 |
| Canned meat: | *Pounds* | |
| Bacon, pork | 1,517,960 | 442,551 |
| Beef, corn | 6,021,805 | 956,258 |
| Beef, roast | 256,500 | 123,969 |
| Chili con carne | 250,029 | 47,364 |
| Pork (miss.) | 350,347,366 | 116,362,528 |
| Sausage, Vienna | 22,889,267 | 8,993,760 |
| Canned poultry: | | |
| Chicken | 180 | 295 |
| Turkey | 283,076 | 326,352 |

## 1945 Production Goal and Price Support Program for Dry Peas

A national goal of 450,000 acres of dry peas for 1945 production and a price support program for the crop has been announced by War Food Administrator Marvin Jones. The goal covers both smooth and wrinkled dry peas.

The 1945 goal acreage compares with a pre-war average of 280,000 acres for the years 1937-41, and with an estimated planting of 746,000 acres in 1944.

To facilitate achievement of the goal and to give growers the price assurance afforded under the Steagall Amendment, 1945 dry edible smooth peas will be supported at $4.50 per hundred pounds for U. S. No. 1, f.o.b. car at country points, and at $4.25 for U. S. No. 2. No price support program for dry wrinkled peas is planned.

The goal is based on estimated requirements for U. S.-produced dry peas in this country and abroad during the 1945-46 marketing year, with allowance made for a probable carry-over into that year of some reserve supplies from crops produced before 1945.

## SURPLUS FOODS LEGISLATION

(Concluded from page 8385)

ever, so broad that the Administrator has very wide latitude in exercising his discretion and judgment for disposal of particular agricultural commodities. The legislation provides no specific answer to the host of problems which exist in food disposal.

Canners will be particularly interested in the provisions concerning prices and export of surplus food. The legislation provides that "surplus farm commodities" shall *not* be sold at prices less than those "applicable to sales" by the Commodity Credit Corporation, or less than the "current prevailing market price," *whichever is higher*. It is not clear, from the statutory wording, whether this requirement applies to sales of surplus canned foods, for the same section makes a distinction between agricultural commodities and food processed from agricultural commodities.

The legislation clearly provides, however, that surplus foods may be sold for export without any price restriction or other restriction except when there is a domestic food shortage. The price for export will therefore be the "competitive world price."

The legislation provides machinery against reimportation of surplus food bought abroad at low prices and shipped back to compete with our domestic production. However, no specific provision against such reimportation is made. Instead, it declares the "policy" is "to prohibit, so far as feasible and necessary . . . the importation into the United States of surplus property sold abroad or for export." This policy is to be carried out by regulations to be issued by the Surplus Property Board, so that reimportation is prohibited to the extent that it is prohibited by the regulations. In practice, therefore, the extent to which surplus foods may be reimported will be determined by the Board.

Finally, the Board is given authority to *exempt* from the legislation disposal of surplus food and other property located outside of the United States and its possessions. Therefore, surplus food now abroad could be exempted. Whether such food will be exempted and what would be the effect of the exemption on reimportation of the food into the United States will of course depend upon the decisions and rulings of the Board and War Food Administrator.

The provisions particularly relating to surplus food disposed are as follows:

Sec. 21. (a) Subject to the supervision of the Board, the War Food Administrator, or his successor, shall be solely responsible for the formulation of policies with respect to the disposal of surplus agricultural commodities and surplus foods processed from agricultural commodities, which shall be administered by the disposal agency or agencies designated by the Board. Such policies shall be so formulated as to prevent surplus agricultural commodities or surplus food processed from agricultural commodities, from being dumped on the market in a disorderly manner and disrupting the market prices for agricultural commodities.

(b) The Board shall not exercise any of its powers under this Act with relation to disposal of surplus cotton or woolen goods except with the approval in writing of the War Food Administrator or his successor.

(c) Surplus farm commodities shall not be sold in the United States under this Act in quantities in excess of, or at prices less than, those applicable with respect to sales of such commodities by the Commodity Credit Corporation, or at less than current prevailing market prices, whichever may be the higher, unless such commodities are being disposed of, pursuant to this Act, only for export; and the Commodity Credit Corporation may dispose of or cause to be disposed of for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices, any farm commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon it by any law: Provided, That no food or food product shall be sold or otherwise disposed of under this subsection for export (1) if there is a shortage of such food or food product in the United States or if such sale or other disposition may result in such a shortage, or (2) if such food or food product is needed to supply the normal demands of consumers in the United States.

## CONGRESS TAKES FINAL ACTION ON RECONVERSION BILL

### Maintenance of State Unemployment Benefit Standards Approved

Congress has approved reconversion legislation establishing executive machinery to deal with demobilization problems after the Senate yielded to House insistence on eliminating provisions for payment of workers' transportation costs to their old homes or new jobs, and provisions granting unemployment insurance aid to unemployed Federal workers.

The final form of the bill as adopted on September 20, retains the provisions for maintenance of State unemployment benefit standards as approved by both House and Senate. The conference bill adopted by Congress is substantially the same as that originally passed by the House. (See INFORMATION LETTER for August 19 and September 2.) With the passage of this and the surplus property legislation, the way was cleared for a Congressional recess until November 14th.

Much dissatisfaction was expressed over the failure to provide for worker transportation and Federal employee aid. The Senate was, however, urged to yield to the House because of the need for reconversion machinery and because the rejected proposals can be dealt with in separate legislation. However, the conferees restored the House-deleted provision for the formulation and coordination of worker reemployment and retraining programs and policies.

The reconversion legislation creates an Office of War Mobilization and Reconversion headed by a Director. He is to formulate reconversion policies, direct Federal agencies to execute them, and to submit studies and recommendations to the Congress on specific and necessary reconversion programs. He is to be aided by a twelve-man Advisory Board composed of business, labor, and agricultural representatives.

The legislation announces broad reconversion policies. Of general interest is the direction that persons shall not be retained in the armed forces solely to prevent unemployment. The overriding policy is that during the postwar period, equitable opportunity for reconversion shall be given to small businesses.

The legislation retains without significant change the much-debated insurance provisions by which State unemployment insurance standards are to be preserved and control of them left in State hands. These provisions were discussed in detail in the INFORMATION LETTER for August 19.

## Food Definitions and Standards

The Federal Security Agency has issued in pamphlet form the definitions and standards for food promulgated before June 1, 1943, under the Federal Food, Drug, and Cosmetic Act, with an appendix containing an amendment to the general regulations and the one additional standard and definition issued since that date. Copies of the pamphlet are available from the Food and Drug Administration, Federal Security Agency, Washington 25, D. C.

## WLB Amends Order No. 10

The National War Labor Board today issued an amendment to its General Order No. 10 September 20 to permit an employer to pay a Christmas or year-end bonus of $25 or less to each of his employees without WLB approval.

By unanimous resolution, the Board also directed that stock exchange firms which paid year-end bonuses for 1943 in excess of bonuses paid the preceding year are not to use such payments as the basis for making similar payments in 1944. Aim of the Board's action is to secure stabilization of bonus payments among stock exchange firms.

General Order No. 10 provides that bonus payments to employees whose wage or salary adjustments are subject to WLB approval may be made without Board approval if, when paid in a fixed amount, the amount of the previous year's bonus is not exceeded, or, in cases where the payment is made on a percentage basis, the percentage is unchanged. Official text of the amendment follows:

a. The payment to employees, whose wage or salary adjustments are subject to the jurisdiction of the National War Labor Board, of a bonus or gift paid to such employees in the past may be continued without the approval of the National War Labor Board provided that (1) if in a fixed amount, the total amount so paid to an employee during the current bonus year does not exceed the total so paid to an employee for like work during the preceding bonus year, or (2) if computed on a percentage, incentive or other similar basis, the rate and the method of computation are not changed in the current bonus year so as to yield a greater amount than that in the preceding bonus year, but a greater amount when resulting from the same rate and method of computation may be paid.

b. Notwithstanding the provisions of paragraph "a" hereof, an employer may pay to each of his employees, without the approval of the National War Labor Board, a Christmas or year-end bonus in an amount not exceeding the sum of twenty-five dollars.

c. If an employee is regularly compensated on a commission or fixed percentage basis, a change in the rate or method of compensation constitute a wage or salary adjustment which required the approval of the National War Labor Board.

## Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in storage on September 1, 1944, totaled 246,939,000 pounds against 214,460,000 on August 1, 1944, and 184,763,000 on September 1, 1943, according to the War Food Administration. Frozen vegetable stocks on September 1, 1944, were 164,383,000 pounds against 138,772,000 on August 1, this year, and 134,162,000 on September 1, 1943. The following table furnishes details by commodities:

| FROZEN FRUITS | Sept. 1, 1943 | Aug. 1, 1944 | Sept. 1, 1944 |
|---|---|---|---|
| | *1,000 lbs.* | *1,000 lbs.* | *1,000 lbs.* |
| Apples | ..... | 8,433 | 6,475 |
| Blackberries | 7,570 | 4,997 | 8,104 |
| Cherries | 27,582 | 47,155 | 53,959 |
| Young, Logan, Boysen | 5,937 | 10,491 | 10,293 |
| Raspberries | 21,489 | 17,569 | 17,601 |
| Strawberries | 32,356 | 22,640 | 30,546 |
| Grapes | ..... | 3,818 | 3,732 |
| Plums and prunes | ..... | 3,050 | 3,157 |
| Peaches | ..... | 9,220 | 12,498 |
| Fruit juices and purees | ..... | 11,766 | 12,626 |
| *All other fruits | 89,829 | 71,321 | 87,948 |
| Total | 184,763 | 214,460 | 246,939 |
| **FROZEN VEGETABLES** | | | |
| Asparagus | 5,274 | 6,229 | 6,354 |
| Beans, lima | 4,591 | 1,734 | 3,507 |
| Beans, snap | 11,181 | 6,441 | 11,744 |
| Broccoli, green | 777 | 3,114 | 2,877 |
| Cauliflower | ..... | 1,212 | 1,030 |
| Corn, sweet | 4,357 | 2,284 | 6,400 |
| Peas, green | 52,354 | 51,413 | 60,286 |
| Spinach | 7,010 | 12,309 | 10,673 |
| Brussel sprouts | ..... | 2,008 | 1,563 |
| Pumpkin and squash | ..... | 2,901 | 2,681 |
| Baked beans | ..... | 3,734 | 4,925 |
| Vegetable purees | ..... | 520 | 475 |
| All other vegetables | 48,718 | 44,873 | 51,568 |
| Total | 134,162 | 138,772 | 164,383 |

*Blueberries now included with "All other fruits."

## Labeling Committee to Meet

Chairman E. B. Cosgrove of the Association's Labeling Committee has announced that a meeting of that committee will be held at the Washington office on November 19, preceding the meetings of the Administrative Council and Board of Directors on November 20 and 21, respectively.

## GROWER PRICES FOR PROCESSING APPLES ANNOUNCED

The same grower prices that were established in 1943 will be used this year as a basis for establishing processors' ceiling prices for processed apples, the War Food Administration and the Office of Price Administration has announced.

OPA will establish ceiling prices for all apple products based upon grower prices per 100 pounds for apples for processing not in excess of the following, delivered at processing plant or processor's usual assembly point:

U. S. No. 1 cannery grade, 2¼ inch and up (and "C" grade, as established under Washington and Oregon State grades)—$3.10 for Class A and $2.50 for Class B varieties.

U. S. No. 2 cannery grade 2¼ inch and up—$1.65 for Class A and $1.50 for Class B varieties.

Apples which grade less than U. S. No. 2 cannery grade, 2¼ inch size (ciders)—$1.00 for both Class A and Class B varieties.

The term "Class A Varieties" is used to designate the following varieties:

New York—Baldwin, R. I. Greening, Northern Spy, Twenty Ounce, Northwestern Greening, Grimes Golden, Stayman, King, and Stark.

Pennsylvania, Maryland, West Virginia, and Virginia—York Imperial, Stayman, Golden Delicious, Grimes Golden.

Oregon and Washington—Winesap, Spitzenberg, Arkansas Black, Newton, Rome Beauty, Stayman, and Jonathan.

California — Gravenstein, Bellflower, Newton, Baldwin, Northwest Greening, R. I. Greening, Arkansas Black, Black Twig, Jonathan, Golden Delicious, Rome Beauty, and Spitzenberg.

All other States—Golden Delicious, Northern Spy, R. I. Greening, Grimes Golden, Stayman, Rome Beauty, Baldwin, Wegener, Northwest Greening, Twenty Ounce, and Stark.

The designation "Class B Varieties" includes all other varieties of apples used for processing.

It was also stated that the section of MPR 425 which established ceiling prices at the grower level for apples sold to processors will be revoked in a few days.

The entire production of dried apples will be set aside again this year by processors to meet essential government requirements. To encourage maximum production of dried apples, WFA announced previously that a grower-processor support program would be developed. It also has been announced that prices for dried apples would be supported at the ceiling prices for sales to government agencies which will be established by OPA. Processors will be eligible for full support at this level only if they pay not less than the equivalent of the announced grower prices for all purchases of apples; otherwise the level of support will be reduced. Under this program processors will be required to submit to WFA supporting information with respect to grower prices paid as a basis for determination of their eligibility for support. Details of this procedure will be announced soon.

## Canned Pea and Tomato Soups Added to the Subsidy Program

The 1944 equalization payment program for certain canned vegetables has been amended by the War Food Administration to include canned green pea soup and canned tomato soup produced from fresh green peas and fresh tomatoes. The subsidy program does not cover soup repacked from brined, frozen, or canned vegetables.

Copies of the Amendment filled in are being mailed by the War Food Administration to soup canners who have been sent copies of the Agreement form FDA 776. Soup canners who have not been sent copies of FDA 776 are being mailed both the Agreement and the Amendment. Any canner who intends to participate in the program but has not filed FDA 776 is urged to do so as soon as possible.

Any soup canner not listed in either the 1943 or 1944 edition of the NCA Canners Directory as packing soup, should write War Food Administration for copies of the Amendment, as it is being sent to only those canners listed as soup packers.

The subsidy rate will be determined separately by individual processors and for each plant. The rate to be paid on the finished product will be the difference between the applicable 1944 grower support price and the corresponding 1942 area average price paid growers, converted to a finished product basis by dividing by the average number of dozen packed in 1944 per ton of raw product. The 1942 area average grower prices are the same as the 1943 Commodity Credit Corporation resale prices.

The rate of payment will be determined after the pack is completed and the computation of the rate per dozen should be submitted on Form FDA 776-2, copies of which are being sent to soup canners. After this rate is determined the request for payment of subsidy should be submitted on Form FDA 776-1 in the same manner as for other designated canned foods.

Inquiries concerning the program may be addressed to the Vegetable Marketing Division, Fruit and Vegetable Branch, Office of Distribution, WFA, Washington 25, D. C.

## Canned Salmon Specifications

The War Food Administration has announced a change in the specifications for No. 2 canned Cohoe salmon. The change is contained in an amendment to Supplement 1 to Awd-5 Canned Salmon—Continental United States and Supplement 4 to FSC-1873 Canned Alaska Salmon. The official amendment follows:

No. 2 Cohoe salmon shall be canned Cohoe salmon meeting all the requirements for this species contained in Federal Specification No. PP-S-31A, Sections B through F, inclusive, except that the color may be dull, oil may be negligible, texture may be somewhat soft, may be watermarked, and odor and flavor may be typical of this species for the late run.

The WFA also announced that it will consider requests to amend existing canned salmon contracts to accept delivery of 48/1s Tall No. 2 Cohoe salmon at 60¢ a case less, and 48/½ No. 2 Cohoes at 42¢ a case less than the applicable price for Cohoes in contracts now in effect.

## Lampe Resigns from OPA

Charles R. Lampe, associate of Carl N. Lovegren, in the Pricing Division of the Processed Fruits and Vegetable Section, Office of Price Administration, has resigned, effective September 25, after a period of about two years' service with that agency. Mr. Lampe is returning to Cincinnati, Ohio, to engage again in the food brokerage business. He operated in the Cincinnati market for 28 years before coming to OPA, and has a thorough knowledge of that market.

The new company he is establishing will operate under the name of C. R. Lampe & Company.